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August 9, 2007

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Joseph N. Wharton
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LLP
333 West Wacker Drive, Suite 2100
Chicago, Illinois 60606

VIA EMAIL

Re: Delphi / Freudenberg-NOK General Partnership ("FNGP") /
Freudenberg-NOK, Inc. ("FNOK") – SUBJECT TO FRE 408 – FOR
SETTLEMENT AND DISCUSSION PURPOSES ONLY

bodman
ATTORNEYS & COUNSELORS

Dear Mr. Wharton:

Attached are copies of the responses to the Nineteenth Omnibus Claims Objection we filed today on behalf of our clients FNGP and FNOK.

In connection with our filing of these responses, we propose to settle the claims of FNGP and FNOK in the following manner:

- 1) In the letter attached as Exhibit A, Delphi proposed to allow FNGP's reclamation claim ("Reclamation Claim #170") in the amount of \$8,341.19. FNGP will accept settlement of Reclamation Claim #170 in exchange for immediate payment of \$8,341.19.
- 2) In November and December of 2006, FNGP and Delphi were in discussions regarding certain tooling disputes. In the agreement attached as Exhibit B, most of those tooling disputes were resolved. One issue that remains open is the status of certain Georgia tooling in the amount of \$19,000. As we stated previously, it is our position that Georgia law gives manufacturers of personal property a lien on the items they manufacture. We propose to execute an agreement along the lines of the existing agreement for payment of the \$19,000 in tooling that remains outstanding. (See attached email exchange between Ralph E. McDowell and Randy Reese).
- 3) FNGP proposes that it be allowed a general unsecured claim of \$132,985.52, which is the amount it shows outstanding under the invoices attached as Exhibit C. If necessary, FNGP will file an amendment to its claim no. 11603 to evidence this agreement.
- 4) Postpetition, Vibracoustic de Mexico ("Vibracoustic"), a Mexican affiliate of FNGP, received a debit in the amount of \$97,594.08. The amounts that were debited related to the postpetition payments identified on Exhibit D (the supporting invoice is also attached). At the time of the Bar Date, Vibracoustic did not have a claim against any of the Delphi entities. This debit, however, has created a claim.

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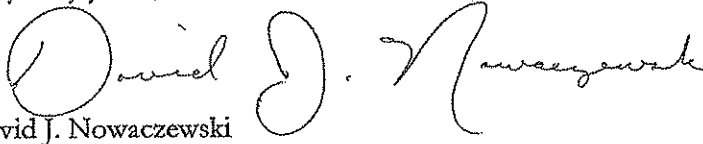
Vibracoustic proposes that it be allowed a general unsecured claim in the amount of \$97,594.08.

5) Finally, FNOK filed a claim in the amount of \$4,638.17. FNOK proposes that it be allowed a general unsecured claim in the amount of \$4,480.50, which is the amount it shows outstanding under the invoices attached as Exhibit E. If necessary, FNOK will file an amendment to its claim no. 11602 to evidence this agreement.

Please contact me at your earliest convenience to discuss.

Very truly yours,

bodman
ATTORNEYS & COUNSELORS


David J. Nowaczewski

DJN

cc: Robert G. Evans
Karl J. Bjorklund
Randall G. Reese
Ralph E. McDowell